MAXIMUM MORTGAGE CALCULATION
STANDARD 203(k) PROGRAM
REFINANCE TRANSACTION
Properties Acquired Less Than 12 Months Prior to Case # Assignment Date

Step 1	Establishing Financeable Repair and Improvement Costs, Fees and Reserves	
A.	**Repair and Improvement Costs and Fees Total** *(sum of A1 thru A7)*	$_____
	1. Costs of construction, repairs and rehabilitation S_____	
	2. Architectural or Engineering Professional Fees $_____	
	3. 203(k) Consultant Fees $_____	
	4. Inspection Fees (work Performed during Rehabilitation) $_____	
	5. Title Update Fees $_____	
	6. Permit Fees $_____	
	7. Feasibility Study when necessary $_____	
B.	Financeable Contingency Reserves	$_____
C.	Financeable Mortgage Payments Reserves	$_____
D.	**Financeable Mortgage Fees Total** *(Sum of D1 and D2)*	$_____
	1. Origination Fee (Greater of $350 or 1.5% of (sum of 1A,1B and 1C) $_____	
	2. Discount Points on 1A $_____	
E.	Total Rehabilitation Costs, Fees and Reserves (Sum of 1A , 1B, 1C & 1D) = **"Step 1 Total"**	**$_____**

Step 2:	Establishing Value	
A.	**Existing Debt on property being refinanced (sum of A1 thru A7)**	$_____
	1. Unpaid principal balance (1st lien) $_____	
	2. Unpaid principal balance (junior liens) $_____	
	3. Interest due on existing mortgage(s) $_____	
	4. MIP due on existing mortgage(s) $_____	
	5. Prepayment penalties, if applicable $_____	
	6. Late charges $_____	
	7. Escrow shortages $_____	
B.	Estimated Closing Costs and Prepaid Expenses Assoc. with new loan	$_____
C.	Sum of 2A and 2B	$_____
D.	As-Is Property Value *	$_____
Adjusted As-Is Value		
E.	Lesser of 2C or 2D	$_____
After Improved Value		
F.	Appraised Value (subject to Repairs and Improvement)	$_____

*An As-Is Appraisal is always required

MAXIMUM MORTGAGE CALCULATION
STANDARD 203(k) PROGRAM
REFINANCE TRANSACTION
Properties Acquired Less Than 12 Months Prior to Case # Assignment Date

Step 3:	Calculating Maximum Mortgage Amount		
A.	Step 2A + 1E (*i.e. Existing Debt + Step 1 Total*)	$_____	
B.	Estimated Closing Costs and Prepaid Expenses Assoc. with new loan	$_____	
C.	Sum of 3A & 3B		$_____
D.	2E + 1E (*i.e. Adjusted As-Is Value + Step 1 Total*)	$_____	
E.	2F [*i.e. After Improved Value*] x 110% (100% for Condominiums)	$_____	
F.	Lesser of 3D or 3E ($_____) x 3I ____% (*i.e. Appropriate LTV Factor*)		$_____
G.	Nationwide Mortgage Limit		$_____
H.	**Base Mortgage Amount (Lesser of 3C, 3F or 3G)**		**$_____**

I.	Determining Loan-To-Value Factor for Maximum Mortgage Eligibility			_____%
	Basis	**Criteria**	**Maximum LTV Factor**	
	MDCS	At or above 580	☐ 97.75%	
	MDCS	Between 500 and 579	☐ 90%	
	Secondary Residences	With HOC Approval	☐ 85%	

Step 4	Calculating the LTV for Application of Annual MIP	
A.	**MIP LTV** = 3H divided by 2F (i.e. Base Mortgage Amount divided by After Improved Value)	_____%

Step 5:	Establishing the Rehabilitation Escrow Account		
A	Repair and Improvement Costs, Fees & Reserves (Step 1 Total)		$_____
B	Initial Draw at Closing Total (*sum of B1 thru B7*)		$_____
	1. 203K Consultant Fees	$_____	
	2. Architectural or Engineering Fees	$_____	
	3. Permit Fees	$_____	
	4. Origination Fees (Step 1: D1)	$_____	
	5. Discount Point (Step 1: D2)	$_____	
	6. Material costs for items ordered & prepaid by Borrower/or contractor (under contract for delivery) $_____		
	7. Up to 50% of materials costs for items ordered but not yet paid for (under contract for delivery) $_____		
C.	**Rehabilitation Escrow Amount Balance (Future Draws) = 5A minus 5B**		**$_____**

Notes:
MDCS = Minimum Decision Credit Score